

NOTICE

TOBACCO PRODUCTS REPORTING Chapter 486P, Hawaii Revised Statutes Tobacco Product Manufacturers Report Number of Cigarettes Sold

DATE: DECEMBER 20, 2000
TO: TOBACCO MANUFACTURERS

Chapter 486P, Hawaii Revised Statutes (HRS) was passed in the 2000 Regular Legislative Session and signed by Governor Cayetano on June 6, 2000. The effective date is June 6, 2000.

This law establishes a reporting requirement that will assist in the enforcement of Chapter 675, HRS. Chapter 675 requires tobacco product manufacturers who sell tobacco products in the State to deposit certain amounts into escrow based on the number of cigarettes sold.

§486P-1 DEFINITIONS.

"Attorney General" means the attorney general of the State of Hawaii.

"Cigarette" means any product that contains nicotine, is intended to be burned or heated under ordinary conditions of use, and consists of or contains:

- (1) Any roll of tobacco wrapped in paper or in any substance not containing tobacco;
- (2) Tobacco, in any form, that is functional in the product, which, because of its appearance, the type of tobacco used in the filler, or its packaging and labeling, is likely to be offered to, or purchased by, consumers as a cigarette; or
- (3) Any roll of tobacco wrapped in any substance containing tobacco which, because of its appearance, the type of tobacco used in the filler, or its packaging and labeling, is likely to be offered to, or purchased by, consumers as a cigarette described in clause (1) of this definition.

The term "cigarette" includes "roll-your-own" (i.e., any tobacco which, because of its appearance, type, packaging, or labeling is suitable for use and likely to be offered to, or purchased by, consumers as tobacco for making cigarettes). For purposes of this definition of "cigarette," 0.09 ounces of "roll-your-own" tobacco shall constitute one individual "cigarette."

"Tobacco product manufacturer" means any person that is a "tobacco product manufacturer" as defined in §675-2, HRS.

§486P-2 REPORTS TO ATTORNEY GENERAL.

(a) Except as provided in subsection (b), any tobacco product manufacturer selling cigarettes to consumers within this State (whether directly or through a distributor, retailer or similar intermediary or intermediaries) shall file a report with the attorney general setting forth:

- (1) Its name and trade name (if any);
 - (2) The address of its principal place of business;
 - (3) A memorandum or a copy of the invoice covering each and every shipment of cigarettes made during the previous calendar quarter into this State; and
- Other information as may be required by the attorney general.

The memorandum or copy of the invoice shall include the name and address of the person to whom the shipment was made, the brand, and the quantity of cigarettes shipped. The attorney general may prescribe the format the report shall take. The report shall be filed with the attorney general not later than the thirtieth day of each calendar quarter covering the previous calendar quarter.

(b) In lieu of the reports required in subsection (a), any tobacco product manufacturer that is a signatory to the Master Settlement Agreement, as defined in §675-2, HRS, and whose cigarettes are sold to consumers

within this State (whether directly by the manufacturer or through a distributor, retailer or similar intermediary or intermediaries), may file with the attorney general copies of reports that the tobacco product manufacturer submits to the Department of Taxation, State of Hawaii, regarding its sales activities in this State.

(c) Information provided to the attorney general pursuant to this statute that tends to identify customers of tobacco product manufacturers, terms of sale (including price), and non-aggregated sales volume data shall be exempt from disclosure under §92F-11, HRS.

§486P-3 PENALTIES.

The attorney general may bring a civil action against any tobacco product manufacturer that fails to file the reports required under this statute.

Questions concerning this law should be directed to:

State of Hawaii
Department of the Attorney General
Tax Division - Tobacco Enforcement Unit
425 Queen Street
Honolulu, Hawaii 96813
(808) 586-1470